SMALL STATES IN TRANSITION – FROM VULNERABILITY TO COMPETITIVENESS

"BEST PRACTICE CASE STUDIES IN TOURISM"

Ms. Helen Williams
H. Williams & Associates

Dr. Dorothy I. Riddle, CMC
Service-Growth Consultants Inc.
Vancouver, Canada

Port of Spain, Trinidad & Tobago – January 2004

1.   Overview

Because tourism is the world's largest industry – responsible for more than one in ten jobs globally and contributing over eight percent of domestic economic activity – developing countries are targeting tourism to generate more income for their national economy. In order to be successful, each country needs to formulate a tourism strategy that identifies and justifies its strategic objectives, priorities, and targets.   Small States are particularly challenged because they are more dependent on external trade while having fewer domestic resources on which to draw.

For this project[1], six Small States representing different geographic regions and stages of development were chosen for an examination of best practices and lessons learned in developing a national or regional tourism strategy: the Bahamas, Botswana, Bulgaria, The Gambia, Trinidad & Tobago, and Vanuatu. A tourism best practice is an innovative policy, strategy, programme, process, or practice that is shown to produce superior results.

Country	Type of Best Practice	Example of Best Practice
The Bahamas	service design	One-stop online booking and immigration card
Botswana	planning process	National Eco-Tourism Strategy
Bulgaria	planning process	National Tourist Council
The Gambia	service delivery	Redistribution of resources
Trinidad & Tobago	linkages with intermediaries	Trinidad & Tobago Tourism Industry Certification programme
Vanuatu	linkages with intermediaries	Island bungalows private-public partnership

These best practices occur in the context of an overall tourism strategy. Annex A provides the index values ratings of all six Small States on the World Travel & Tourism Council's Competitiveness Monitor. Annexes B-G provide more detailed case studies for each Small State's: (a) national tourism strategy and planning; (b) current competitive status; (c) national tourism development priorities; and (d) measures of success. It is hoped that these best practices will be useful to developing countries as they formulate tourism strategies to improve their tourism performance through increased competitiveness.

2.   Best Practices in Service Design

The Bahamas: One-Stop Online Booking and Immigration Card

In designing a competitive tourism experience, the Bahamas has focused on two areas that many developing countries have overlooked – how tourists select and book destinations, and how to collect critical market information from visiting tourists. With the spread of the Internet, tourists are increasingly comparison shopping and booking online. The Bahamas' website, <www.bahamas.com>, allows the prospective tourist to create an online "account" in which they can book and change reservations, e-mail those plans to friends and family, and print out their own vacation plan.

---

[1] This paper has been prepared for the Trade in Services Unit, International Trade Centre UNCTAD/WTO, as background for the January 2004 Executive Forum on National Export Strategies.

In order to collect standard market information, the Bahamas Ministry of Tourism (MOT) hired Indusa Ltd. to design a data interrogation and reporting system, which resulted in the new Bahamas Immigration Card (IC). The IC helps Immigration improve national security by having visitor information quickly and accurately uploaded into the immigration database without the need to physically search for an individual record. At the same time, the IC allows MOT to collect concise marketing data and conduct exit surveys on all visitors in order to target marketing, reduce advertising costs, and increase tourism to the Bahamas.

The IC arrival card gathers information on the means of arrival, departure date, general visitor information, travel booking, accommodation, and trip purpose. Visitors sign the form and check whether they would or would not like to receive information on the Bahamas. The last section of the form is for official use only, noting port of entry and time permitted to stay.

On departure, visitors are required to fill in the bottom portion of the IC, recording the number of nights they spent in the Bahamas and the departure date, and present it to the airline or cruise line. Under the signature line is the statement, "Tourism is our most important industry and we rely on your comments for improvements. Please fill in the rest of the Card as completely as you can," with the following three questions:

1. Give the main reason(s) for choosing The Islands of The Bahamas.
2. Rate the Bahamas competitively, using a scale from "Much Better" to "Much Worse."
3. Rate from "Very Likely" to "Not at all Likely" how likely they are to recommend the Bahamas to friends and relatives for a vacation.

Visitors entering The Islands of The Bahamas through any of its ports receive an IC to fill out. Immigration officers check that all key fields are filled out. The top card is collected and the attached bottom portion is given to the visitor to complete when exiting the Bahamas. Cards are then batched by flight number and scanned. Caribbean Advanced Technology Centre (CATC) staff oversee the card's design, scanning, data entry, quality and business edits, database design and maintenance, document imaging, trend analysis, business intelligence, and target marketing. After its data entry operators enter all fields, the information is divided into two databases – tourism and immigration. Outsourcing the system to be run by a private sector firm has solved the staffing and training issues necessary to use the machine-readable cards.

In May 2003, the backlog of old immigration cards was processed so that arrival data is now available for 1998, 2000, and 2001. One month later, 2002 arrival and departure data were available, and data from the first quarter of 2003 were available by end of August 2003. The Bahamas is looking at standardizing the IC and selling it to other countries. It has already signed contracts with Bermuda, the British Virgin Island, and St. Lucia to produce and process their immigration cards, based on the Bahamas' prototype.

3. Best Practices in Service Delivery

The Gambia: Redistribution of Resources (Pro-Poor and Responsible Tourism)

Although The Gambia is a popular winter sun destination, its people weren't benefiting from those tourists. The government initially marketed The Gambia to packaged tour operators (mainly from Britain), expecting more foreign exchange earnings and foreign direct investment to flow into the economy from this type of marketing approach. But the vast majority of the revenues generated stayed in the countries of origin, leaving a legacy of debt and poverty.

The situation reached crisis proportions when the British Foreign Office advised British citizens not to travel to The Gambia after the 1994 violent coup attempt. Management personnel in a number of hotels brought The Gambia's situation international attention by establishing the Gambia Tourism Concern (GTC).

The GTC made a linkage with a Gambian organization in Britain, which in turn led to linkages with similar groups interested in promoting fair trade in tourism and eradicating poverty. Working with the British High Commission, a 1999 workshop concluded that small organizations needed to work together to improve earning capacity. This led to the development of the Association of Small Scale Enterprises in Tourism (ASSET) in 2000. Through ASSET, further linkages were developed between small-scale enterprises and mainstream tourism to enhance the multiplying effect. In additional, the UK Department for International Development (DFID), funded through its Tourism Challenge Fund (TCF), began a 20-month project to improve the linkages between the informal and the formal sector in The Gambia and identify what barriers needed to be overcome to increase revenues and the informal sector's success.

Industry's goal was to develop a collaborative style of work where partnerships between government, the private sector, and the informal sector (represented by ASSET) would prosper. There have been a number of win-win stories for fruit sellers, juice pressers, licensed guides, and craft markets resulting in increased earnings for these workers. For example, fruit sellers no longer hawk their fruit baskets on the beach and hassle the tourists because a Code of Conduct was developed covering their relationships with each other, the hotels, and the tourists. Fruit sellers work together as a society and each contribute a small amount to a communal fund. With assistance from some of the hotels (in the form of paint, labour, some cash, and materials) as well as funding from TCF, the 26 women have a new stall with a high quality image to sell their fruit.

To ensure success, Codes of Conduct have been adopted for the various players. For example, if licensed guides do not follow the Code of Conduct, or participate in minor infringements, the consequences are suspensions, taking their uniforms away, or withdrawing licenses depending upon the seriousness of the offence.

4. Best Practices in Linkages with Intermediaries

Trinidad & Tobago: Trinidad & Tobago Tourism Industry Certification Programme

The Trinidad & Tobago Tourism Industry Certification (TTTIC) programme was established in 2001 as a mechanism to improve the quality of tourism products and services. It is based on the tourism standards developed by the Trinidad & Tobago Bureau of Standards (TTBS) to ensure quality delivery. It is a joint initiative of TTBS, the Tourism and Industrial Development Company of Trinidad and Tobago (TIDCO), and the Tobago House of Assembly (THA), with the Trinidad & Tobago Hospitality and Tourism Institute (TTHTI) as the recognized body for hospitality and tourism training.

Industry by-in was secured by (a) having all tourism operators agree on the need for operational standards, and (b) linking the programme to marketing initiatives that offer Approved Tourism Operators (ATO) the following benefits:

- ✔ Promotion in TIDCO's and THA's websites and brochures.
- ✔ Preferential rates from banks and insurance companies (subject to TIDCO's negotiations).
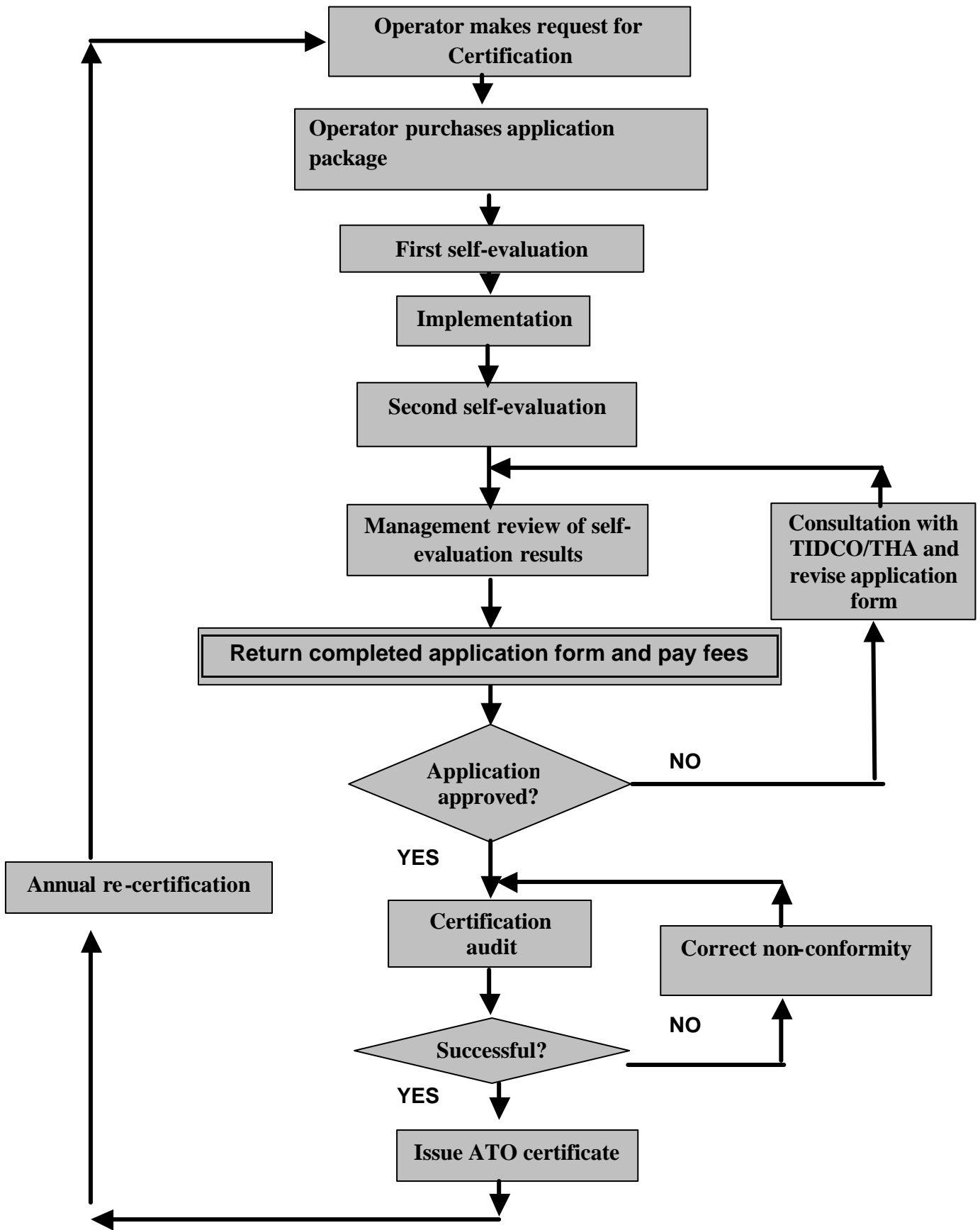
- ✔ Advice on training, human resource development, financing, and marketing, including workshops to further advance the products and services of ATOs.
- ✔ Use of the brand logo – a mark of quality assurance.
- ✔ Benefits from TIDCO's promotional projects such as trade shows and cooperative advertising.

Before the cycle of audits started for each type of tourism operator, public workshops were held to present and explain the TTTIC process.

The TTTIC process involves a self-assessment using a checklist designed from the standard. A scheduled audit exercise is conducted once an application is received from the tourism operator. Upon completing the joint-audit exercise (TTBS and TIDCO in Trinidad, and TTBS and THA in Tobago) the operator receives a report from TTBS. If TTBS verifies that the tourism operator meets the requirements for an ATO, a certificate is issued. The process flow-chart is seen below.

In order to ensure the integrity of the process, stakeholders were involved in the development of the standards but not in the development of the TTTIC certification programme. The TTTIC programme takes the agreed-to standard and audits tourism operators against that standard. TTTIC auditors are trained in-house, with TTBS and two consultants from Ireland and Jamaica providing the initial training programme. All TTBS and TIDCO staff members are required to sign a conflict of interest agreement annually. To date, over 120 audits have been conducted and over 40 percent of those tourism operators have been certified. An ATO receives approval if they ensure all new staff members or sub-contractors meet the requirements for operation.

The TTTIC Process

```
                    ┌─────────────────────────────┐
           ┌───────▶│  Operator makes request for │
           │        │        Certification        │
           │        └─────────────┬───────────────┘
           │                      ▼
           │        ┌─────────────────────────────┐
           │        │ Operator purchases application│
           │        │           package            │
           │        └─────────────┬───────────────┘
           │                      ▼
           │            ┌──────────────────────┐
           │            │  First self-evaluation │
           │            └──────────┬───────────┘
           │                       ▼
           │              ┌──────────────────┐
           │              │  Implementation   │
           │              └─────────┬────────┘
           │                        ▼
           │            ┌──────────────────────┐
           │            │ Second self-evaluation │
           │            └──────────┬───────────┘
           │                       ▼                      ┌──────────────────┐
           │        ┌─────────────────────────────┐      │  Consultation with│
           │        │  Management review of self- │◀─────│  TIDCO/THA and    │
           │        │      evaluation results     │      │  revise application│
           │        └─────────────┬───────────────┘      │      form         │
           │                      ▼                       └────────▲─────────┘
           │  ┌──────────────────────────────────────────────┐    │
           │  │ Return completed application form and pay fees │    │
           │  └─────────────────────┬────────────────────────┘    │
           │                        ▼                              │
           │                   ╱─────────╲         NO              │
           │                  ╱ Application ╲──────────────────────┘
           │                  ╲  approved?  ╱
           │                   ╲─────────╱
           │                        │ YES
┌──────────────────────┐           ▼
│ Annual re-certification│    ┌──────────────┐       ┌──────────────────────┐
└──────────▲───────────┘    │ Certification │◀──────│ Correct non-conformity │
           │                │    audit      │       └──────────▲───────────┘
           │                └───────┬───────┘                  │
           │                        ▼              NO           │
           │                   ╱─────────╲──────────────────────┘
           │                  ╲ Successful? ╱
           │                   ╲─────────╱
           │                        │ YES
           │                        ▼
           │              ┌──────────────────────┐
           │              │  Issue ATO certificate │
           │              └──────────┬───────────┘
           └───────────────────────◀─┘
```

If two or more confirmed complaints are received about an ATO, a re-inspection is conducted. TTBS reserves the right to withdraw certification and issues charges for offences according to its Summary Offences Act. The TTTIC programme is being monitored by the three implementing agencies, TTBS, TIDCO, and THA. A Memorandum of Understanding is reviewed and signed annually to operate the programme.

Vanuatu: Island Bungalows Private-Public Partnership (Vanuatu Safaris Air Pass)
While tourism has been an important source of foreign exchange for Vanuatu (providing more than one-third of export earnings annually), those benefits have not necessarily extended to communities in the country's outer islands. To generate tourist interest in more remote locations, two strategies were launched: (a) development of a unique experience (island bungalows); and (b) making travel to the outer islands economical and a clear value added for tourists.

The Vanuatu Island Bungalow Association (VIBA) plays a key role in overseeing the development of this rural tourism development programme by coordinating bookings and providing continued support to bungalow owners. A bungalow is generally a small bush cabin built from local materials, without many of the modern day conveniences of a hotel. There are also adventure lodges owned by local chiefs, communities, or families built of local materials in an environmentally friendly way. A maximum of only 10 rooms/bungalows are located on each island. This rule preserves the cultural diversity of the area and makes sure the environmental carrying capacity is not exceeded. By increasing the volume of tourism in rural areas, the bungalow operators are more likely to protect the marine and coastal resources that serve as tourist attractions. To develop this new product of island bungalows for Vanuatu's tourism industry, linkages had to be established with:

- Vanuatu's regional airline
- island bungalow managers
- travel agents and wholesales
- local tour operators
- international funding agencies

Without these linkages, the mechanisms to provide bungalow owners with continued support and improvements in product quality, business skills, management and customer service skills training, and marketing would not be possible.

Access to the outer islands was provided by developing a four-coupon air pass - *Vanuatu Safaris Air Pass* - with the nation's regional air carrier and local inbound operator whereby foreign tourists save 50 percent on domestic air travel. Each coupon is valid for one domestic flight (regardless of distance) with Vanair so that tourists can travel to at least two of Vanuatu's 18 islands. The air pass markets the islands as an adventure to experience:

- adventure tours
- indigenous peoples
- cultural traditions unchanged for centuries
- accommodation in a traditional rural bungalow

The *Vanuatu Safaris Air Pass* (formerly the *Discover Vanuatu Pass)* has benefited the rural areas that have few opportunities to generate cash. Developing small eco-tourism operations diversifies their economies, makes new jobs, and generates tourism revenue. The coordinated marketing and promotion programme, with Island Safaris of Vanuatu and

Vanair, has led to an increase in the number of bungalows registered with VIBA and has sold 50 passes monthly.

In 2003, when Island Safaris of Vanuatu and Vanair were reviewing the air pass, several changes were made, which included:

- ✓ Posting air pass information on Vanair and Vanuatu National Tourism Office websites.
- ✓ Offering tourists the opportunity to buy an unlimited number of extra coupons.
- ✓ Allowing the pass to be bought in both Australian and New Zealand dollars, not only US dollars.

By offering the air pass for sale in Australian and New Zealand dollars, wholesalers such as Qantas Holiday could promote the air pass throughout their 85 agents worldwide. Tourists from Australia and New Zealand are Vanuatu's largest market share.

Major supporting partners still provide financial aid to support VIBA's partnership programme with Vanair and Island Safaris of Vanuatu. For example, the European Union funds the VIBA to help market and pay for island bungalow brochures. A New Zealand aid programme funds infrastructure projects, such as water supply and ablution facilities for tourist accommodations on the islands. Island Safaris of Vanuatu and Vanair have also produced two campaign posters featuring the attractions, beaches, island bungalows, cultural activities, and landscapes found only in Vanuatu's outer islands.

Through the VIBA and the Tourism Development Council Board meetings, the programme is monitored for issues involving:

- ✓ Promotion – to track demand and note changes for future improvements.
- ✓ Intermediaries – to make certain that they are providing external assistance and marketing support as agreed upon.
- ✓ Rural Communities – to ensure tourist revenue is directly benefiting the economy that own and operate the island bungalows, minimizing leakage.

Stakeholders believe results are achieved through working together. If the *Vanuatu Safaris Air Pass* is not meeting its results, the air pass committee will review the programme and decide if changes need to be made.

5.   Best Practices in the Planning Process

Botswana: National Eco-Tourism Strategy (NES)

Throughout the 1990s, Botswana's tourism industry adopted a "high value-low volume" approach to lessen the negative impact of tourism on its environment. This policy resulted in the region developing only a few major tourist attractions, like the Okavango Delta. Most of the tourism revenue was siphoned off in payments to external agents and absorbed in import leakage, leaving few financial benefits for the Botswana economy.

In 2001, the Government of Botswana recognized that its tourism industry was dependent upon its abundant wildlife. To diversify, it decided to open up areas less known, such as the parks in the centre and south of the country, and add new products like cultural, historical,

and archaeological attractions. The challenge was to diversify in a manner that protected the environment, provided local multiplier effects, and decreased leakage.

Botswana chose to develop a National Eco-Tourism Strategy (NES) with the help of a number of different stakeholders, namely, the Department of Tourism under the Ministry of Environment, Wildlife and Tourism, the European Union, Botswana Tourism Board, and the Regional Tourism Organization of Southern Africa (RETOSA). The NES emphasised community development through tourism by stressing that host communities needed to be actively involved so that the people of Botswana had a voice in managing their country's valuable resources responsibly. New products developed in the community had to meet the social, cultural, economic, and environmental needs of its people by:

- ✓ Minimising negative social, cultural, and environmental impacts.
- ✓ Maximising the involvement in, and the equitable distribution of economic benefits to, host communities, and citizen entrepreneurs.
- ✓ Maximising the revenues for re-investment in conservation.
- ✓ Educating both visitors and local people as to the importance of conserving natural and cultural resources.
- ✓ Delivering a quality experience for tourists.

Every stakeholder featured these five points in their promotional materials so that all tourism development, planning, and management promoted and rewarded the use of eco-tourism best practices. With these yardsticks in place, the NES educates both visitors and local communities about the importance of conserving natural and cultural resources.

As most new developments will take place in remote areas, the NES should benefit local communities by creating employment and income. This in turn should stem the socio-economic disparities among the country's different areas. There should be an increase in the percentage of senior positions in tourism businesses held by Botswana employees, and an increase in the number of citizen-owned and operated tourism businesses.

Since implementing Botswana's NES, further construction of tourist accommodation (including five star hotels and resorts), airfields, and road infrastructure has grown hand in hand with an annual increase in selected wildlife species. The number of visitor arrivals, available beds in hotel rooms, and the occupancy rate has increased; and the total fees generated from parks and game reserves rose from US$10.8 million in 1998 to US$21.1 million in 2000. By 2001, tourism was the second largest contributor to total GNP.

The NES has also lead to the growth of Community Based Tourism (CBT) ventures. CBT are community-owned projects, or joint ventures with the private sector based on equitable community participation. These projects use only natural resources in a sustainable manner to improve the community's standard of living in an economic or viable way. To date, there are over 50 community-based organizations in Botswana at various stages of development. For example, in western Botswana the revenue from a growing number of international visitors buying Bushmen handicrafts and culture (i.e., traditional dancing, story telling, and guided hunting and gathering trips) is flowing directly back to the participants and producers in the community. Craft production is an important source of income for women in remote areas of Botswana, and increased bigger demand for their products has encouraged these artists to produce more.

To ensure quality service, Department of Tourism officials inspect the premises of tourism operations prior to granting and renewing licenses in order to ensure that standards are met. Failing inspection, a license is withheld to give the proprietor time to rectify the situation or

else the license is revoked. Botswana tourism standards have been developed through the Botswana Bureau of Standards (BOBS) and the Department of Tourism for hotels and accommodations.

Bulgaria: National Tourist Council

Bulgaria established the National Tourist Council (NTC) in 1997 as a consultative body to assist the government implement its national policy for tourism. Chaired by the Ministry of Economy, the NTC representatives are from central administration, state commissions, agencies dealing with tourism, tourism associations, and chambers of commerce. NTC's functions include:

- ✔ Presenting the annual state budget to the Minister of Economy.
- ✔ Adopting a national tourism advertising program before submitting it to the Minister of Economy for approval.
- ✔ Overseeing the implementation of the national tourism advertising programme.
- ✔ Submitting an annual report to the Executive Director of the Executive Agency for National Tourist Advertising and Information for approval.
- ✔ Submitting concepts and programmes for tourism development.
- ✔ Delivering its opinion on draft normative acts and making proposals for their amendment, supplementation, or repeal.
- ✔ Discussing issues related to the construction and maintenance of tourist infrastructure and attracting foreign investments.
- ✔ Coordinating and assisting in the implementation of national and regional projects.

The NTC is an excellent example of a functioning public-private partnership, representing with both the public and private interests of Bulgaria's tourism industry. For the Council to pass a decision, there must be a majority of more than half of its members. The Chairman of the Council may form working groups when an issue or problem connected with the development of tourism, requires further research. Working groups are made up of experts, specialists from administrations, and representatives of tourism associations and unions to give statements and make evaluations of tourism-related activities. The administrative activities, organization and financing are provided by the Ministry of Economy.

In 2003, for example, the National Tourism Council accomplished the following:

- ✔ Adopted a national tourist advertisement programme for 2003.
- ✔ Extended the national strategy to develop tourism in Bulgaria till 2007.
- ✔ Elected a Managing Director of the National Tourism Promotion and Information Agency.
- ✔ Discussed the visa regime for 2003.
- ✔ Reported on the readiness of Bulgarian air-carriers to implement charter programmes for the 2003 summer season.
- ✔ Approved a draft strategy to develop Bulgaria's eco-tourism industry, based on the results from the active tourist season "Summer 2003."

	The Bahamas	Botswana	Bulgaria	The Gambia	Trinidad & Tobago	Vanuatu
Price competitiveness	24	na	44	93**	47	na
Human tourism	n/a	51	64	na	24	90@
Infrastructure	67	n/a	68	29	60	65
Environment	50	53	48	45	23	47
Technology	77	38	69	50	54	10
Human resources	71	40	73	5	59	na
Openness	80*	66	66	29	66	68
Social development	71	33	66	12	64	12

Source: <www.wttc.org>

Index Value   Least Competitive is "0"; Most Competitive is "100"

*   The Bahamas is ranked #10 worldwide.
**   The Gambia is ranked #2 worldwide.
@   Vanuatu is ranked #19 worldwide.

[Research provided by Ms. Andrea Myers]

B1. National Tourism Strategy and Planning

The main agency responsible for tourism planning is the Ministry of Tourism (MOT). This quasi-government agency is overseen by the Director General of Tourism and is responsible for promoting the Islands of the Bahamas. Other agencies involved in national tourism strategy and planning include:

- Hotel Corporation – acts on behalf of the government in the planning and development of tourism, and negotiates hotel development under the Hotels Encouragement Act.
- Licensing Board – monitors the state of hotels in the Bahamas.
- Bahamas Investment Authority – guides the government's economic growth and development policies to simplify investing in the Bahamas.
- Ministry of Financial Services and Investments.

The above linkages form good partnerships in developing the Bahamas national tourism strategy. The Bahamas derives over 70 percent of its foreign exchange earnings from tourism so cooperation is needed between the hotels, government, and the MOT. The government primarily provides the right climate for Bahamians and foreign investors to invest in tourism products at the various islands.

B2. Current Competitive Status

Border-In Issues
Technical infrastructure developments, especially using the Internet, have given the Bahamas a competitive advantage. But work is still needed on attractions development, especially as the Bahamas has become less competitive in terms of value for money spent. Tourism operators are generally dependent on the MOT in learning how to sell, market, execute, and develop business plans. For example, taxi drivers are taking visitors on the same taxi tours that they did two decades ago despite all the new developments on the island. New routes adding more interest could easily be added. Some branded attractions with lots to offer are doing well in the marketplace, like "Fish Fry" in Grand Bahama and "Pineapple Festival" in Eleuthera.

Service quality is still not consistent in the Bahamas' service sector. Training programmes are needed for basic customer service and supervision skills. There are concerns that labour will have to come from elsewhere to meet industry demand. The MOT aims to make the College of the Bahamas, School of Hospitality and Tourism Management (COB – SHTM) and the University of the West Indies' Centre for Hotel and Tourism Management (UWI – CHTM) functional and sustainable programmes. Most tourism employees enrol in the MOT's Bahamahost customer service training programme, but this is not enough to improve front line skills. MOT faces challenges in attracting the best and brightest into the industry, and conveying to younger persons that there are a variety of lucrative jobs available in tourism.

Border Issues

Visas are not generally required to travel to the Bahamas, only passports and birth certificates. US Customs & Immigration pre-clearance smoothes immigration procedures for visitors arriving from or through the US.

Border-Out Issues

Marketing promotions continue to target general beach vacations to the Bahamas rather than niche options to single island destinations. The MOT believes promoting general vacation options reaches those with special interests, while the reverse does not hold true. Its niche marketing is focussed on areas of diving, bone fishing (catch and release), weddings and honeymoons, ornithology, and nature tourism. Recently, the MOT has committed to pursue the African American, religious, and sports niche markets. The MOT has also started branding accommodations as the gold standard for beach vacations. Opportunities exist in targeting the many business visitors to the Bahamas.

The Internet is used as a one-stop online booking engine for the Bahamas at <www.bahamas.com>. This website is a one-stop tool that provides a variety of information on the destination, and lets the traveller make all travel, accommodation, and attraction bookings. The MOT has adopted Expedia.com to make the actual bookings, but the consumer only knows that they are able to book online. With more bookings being made online, the MOT has a virtual inventory.

Attracting foreign direct investment is primarily the role of the government, through the Bahamas Investment Authority, and the recently-formed Ministry of Financial Services and Investments. In 2003, the government announced several millions of dollars of foreign investment in hotels and tourist-related developments for the Bahamas.

Development Issues

To prevent leakage, the MOT has instituted the "Authentically Bahamian" programme. Local entrepreneurs are encouraged to showcase their wares to Bahamian hoteliers and other tourist attractions so more Bahamian-made products are available to visitors. There is also the Culinary Classic, encouraging local chefs from the different hotels to produce dishes using only local products. This is done in collaboration with the Ministry of Agriculture, Fisheries, and local government. Under the Tourism Encouragement Act, concessions encourage entrepreneurs to make local items.

Through the government and the MOT, the Bahamas was the first island to develop "Sustainable Tourism Policy Guidelines," which have been modelled by other islands. The Bahamas is struggling to secure the complete buy in of hoteliers who do not see the value of retrofitting their properties with energy-saving devices. The MOT has a Sustainable Development Unit that holds workshops on this and related topics in the major islands. Sustainable development is not a major part of the national tourism objectives because it is believed that the concept is not yet completely understood.

B3. National Tourism Development Priorities

The Bahamas' national tourism development priorities are to:

- ✔ Earn foreign exchange for the Bahamas and for Bahamians.

- ✔ Provide increasing employment of Bahamians by improving the talent available in the MOT and the industry.
- ✔ Ensure the broadest distribution of income from tourism.
- ✔ Bahamianize the tourism industry.
- ✔ Formalize partnerships between the public and private sector to get mutual agreement on priority issues and programmes for the long-term.
- ✔ Launch the sustainable national service improvement initiative and ensure that it has annual funding.

All islands are viewed as having products to be branded individually in order to diversify their products and services. Underlying all initiatives, the Bahamas national tourism development policies are to be conducted in a sustainable manner to form an eco-nation.

B4. Measuring Success

Measure	1998	2000	2002
Number of tourists:			
Total visitors	3,347,665	4,203,831	4,401,920
Leisure visitors	na	na	na
Business visitors	na	na	na
Average number of nights per visitor:			
All visitors	6.8	na	na
Leisure visitors	na	na	na
Business visitors	na	na	na
Gross visitor expenditures:			
All visitors	1,354,057	1,719,163	na
Leisure visitors	na	na	na
Business visitors	na	na	na
Tourism contribution to GDP:	na	na	na
Number employed in tourism:	na	na	na
Leakage:	na	na	na

Annex C
Case Study: Botswana

[Research provided by Mr. Sammy Famba Nampinga]

C1. National Tourism Strategy and Planning

The Ministry of Trade, Industry, Wildlife, and Tourism's role is to improve the national socio-economic development of Botswana and create more jobs in Botswana. This is to be done by making optimal use of local resources through trade, industry, wildlife, and tourism. Many agencies share in Botswana's national tourism strategy and planning development, including the Department of Tourism; the Ministry of Environment, Wildlife and Tourism; the Department of Wildlife and National Parks; the Department of Civil Aviation; the National Museum; and a number of public and private organizations.

The Botswana government, in partnership with the European Union, commissioned the Botswana Tourism Development Programme to map out a development strategy for Botswana's tourism industry, which was incorporated in the Botswana Tourism Master Plan in May 2000. The recently established Botswana Tourism Board is responsible for promoting and marketing Botswana tourism nationally and internationally.

C2. Current Competitive Status

Border-In Issues

Infrastructure development is an ongoing process in Botswana. In 2002/03, 10 new lodges were built varying in size and standards, including the world-class Gaborone International Convention Centre. The government also encourages man-made tourism attractions to help diversify Botswana's tourism product. A current project being developed in the Tsabong area for the Kgalakgadi has provided 37 youths in the communities with basic training in camel husbandry, training, and tourism. The camels will provide the local people with a secure food source, income, and employment as well as power, transport, milk, meat, and other by-products to improve their economic well-being.

To create skills upgrading and service excellence training courses, the government established the Tourism Training Levy. At every accommodation, the levy generates one Pula per occupied bed each night. This money funds the government's Education and Training Division to develop several short training courses for hospitality personnel.

Border Issues

Citizens from Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Pakistan, San Marino, South Africa, Sweden, Switzerland, Uruguay, the United States of America, Western Samoa, and Commonwealth countries (except Ghana, India, Mauritius, Nigeria, and Sri Lanka) do not need a visa to visit Botswana. Visas are issued by Botswana's Department of Immigration and Botswana embassies abroad.

Border-Out Issues

Botswana's destination strategy promotes the area's unique wildlife and natural heritage within protected and preserved traditional regions. Botswana distinguishes itself from its neighbouring African states by focussing on its inland location that offers adventure tourism products, untouched wilderness, intact wildlife, culture, heritage, sand dunes, saltpans, and camels.

The Department of Tourism has international marketing representatives promoting Botswana's tourism products and services to niche markets. Representatives have been appointed in New York to cover North America, in Berlin to market to German-speaking European countries, and in London to promote Botswana to the United Kingdom and Ireland.

Electronically, Botswana is marketed on the Internet through the website <www.botswanatourism.org>. The Department of Tourism also produces marketing brochures and has an interactive CD-ROM to market Botswana.

Development Issues

While Botswana is viewed by potential tourists as relatively safe and open, social development spin-offs from tourism have been lacking. However, local communities that participate in the planning, development, and running of businesses in their community have been able to lessen leakages and increase multiplier effects. To encourage tourism businesses to employ, be managed, or be owned by Botswana employees, the government will not renew a foreigner's work permit if local skills are available in the community.

C3. National Tourism Development Priorities

To further diversify Botswana's tourist destinations countrywide, and create more jobs, the Department of Tourism is working closely with each district in new project developments during 2004-2008. The government reviews other projects to make sure they compliment existing wildlife attractions and reduce the current strain on this resource. Such developments include heritage sites in Tsodilo Hills, Moremi Gorge, Matsieng, and Domboshaba, and cultural sites in Godikwa, Bushman Lodge, and D'Kar Bushman Camp. Where communities lack a realistic understanding of the potential and impact of tourism on the community, the development will be planned in such a way that it will encourage awareness, alleviate poverty, and enhance the value of wildlife to communities.

Eco-tourism policies have been developed to help raise Botswana's standard of living and to benefit the community in the region visited. Tourism resorts and accommodation properties include local communities in all planning, building structures, and operation. Where possible, the local workforce is hired to build and operate the tourism business.

The National Development Plan (NDP) 8 (1997-2002) opened tourist offices in Selebi-Phikwe, Tsabong, Francistown, and Ghanzi to promote Botswana's tourism products in the region. Between 1997-2002, more personnel were hired to staff the Department of Tourism. Despite this increase, more personnel are needed in monitoring the industry and providing timely assistance, which will be addressed in NDP 9.

C4. Measuring Success

Measure	1998	2000	2002
Number of tourists:			
Total visitors	749,544	1,103,796	1,036,558
Leisure visitors	169,544	316,847	197,219
Business visitors	79,330	143,304	132,012
Average number of nights per visitor:			
All visitors	9.4	9.8	8.2
Leisure visitors	8.0	7.0	10.0
Business visitors	4.0	5.0	4.0
Gross visitor expenditures (P '000 million):			
All visitors	175	313	309
Leisure visitors	38.5	87.64	58.71
Business visitors	45.3	80.49	79.46
Tourism contribution to GDP:	10.5%	10.5%	10.9%
Number employed in tourism:	9,535	10,637	12,000
Leakage:	41%	42%	41%

Annex D
Case Study: Bulgaria

[Research provided by Mr Vasil Radoynovski]

D1. National Tourism Strategy and Planning

The Ministry of Economy carries out Bulgaria's tourism policy through a Tourism Policy Directorate, which is responsible for the national strategy and tourism development programmes. Planning is done at the national level in public-private partnership through the National Tourist Council, established in 1997. Both business and political representatives discuss strategies and programmes to develop Bulgaria's tourism. Their recommendations are then submitted to the Ministry of Economy for approval. The council also provides statements on draft normative acts considering the interests of the private sector. The National Tourism Promotion and Information Agency within the Ministry of Economy is responsible for implementing Bulgaria's national tourism advertisement and promotion programme.

D2. Current Competitive Status

Border-In Issues

The State invests in infrastructure initiatives to develop products and destinations, with the support of different donor programmes. Some examples include programmes that promote cultural sites, cultural tourism, and eco-tourism. Recently private companies have made large investments in hotels and supporting facilities. For example, last year the winter resorts invested approximately 40 million Euro to prepare for the current ski season and about 80 million Euro into a luxury sea resort. National human resource development activities are carried out by a number of local universities and educational institutions.

Border Issues

The Republic of Bulgaria has procedures at all border control checkpoints (land, water, and air space) that require all individuals entering, exiting, or passing through on transit are subject to obligatory passport and visa control. Bulgaria maintains a visa regime with all the countries, included in the "negative list" from the European Union (EU), excluding the former Yugoslav Republic of Macedonia (FYROM), Serbia and Montenegro, and Tunisia.

Nationals of EU member states and other countries, such as the former Yugoslav Republic of Macedonia (FYROM), Serbia and Montenegro, Japan, Switzerland, Chile, Croatia, Tunisia, USA, San Marino, Romania, Norway, New Zealand, Monaco, Macedonia, Luxembourg, Republic of Korea, Canada, Iceland, Israel, Vatican City, and Andorra are entitled to stay visa-free for up to 90 days within six months from the date of entry in Bulgaria. Foreign nationals may enter the Republic of Bulgaria, provided they have the required cross-border travel document or the respective substitute, and a visa for entering, staying, and passing through on transit.

The unified sticker on the new Bulgarian visa includes a photo of the visa holder. The data is printed using ink-jet printing technology. A visa is issued only after the database in the Visa Centre at the Ministry of Interior has been inspected, to prevent migration-related high risks. Bulgaria diplomatic missions and consular offices all over the world issue visas within two to seven working days. Visas for tourism purposes are not issued at the border.

Border-Out Issues

The Bulgarian government has improved the country's tourism profile on its national Internet site <www.bulgariatravel.org> under the responsibility of the National Tourism Promotion and Information Agency. The website contains comprehensive information about the country, separated in several basic categories, which is updated regularly by the agency.

Bulgaria's tourism industry is also represented at different International Tourism Fairs and Exhibitions. The National Tourism Promotion and Information Agency funded a marketing programme for Bulgaria to make a presentation at the Moscow, Berlin, and London exhibitions.

Development Issues

Funding for Bulgaria's eco-tourism initiative comes from a number of agencies such as the PHARE Pre-Accession Programme and the state budget. There are also a number of donor programmes providing funding in different regions of the country. Among the projects the biggest ones are funded by the British Know-How Fund, the United States Agency for International Development (USAID), the Bulgarian-Switzerland Programme for Bio-diversity Preservation, the United Nations Development Programme (UNDP), and the German Government. There is concern, related to the private sector investments, is the amount of financial resources that will be available for the government programme and the conditions for granting of loans. If an approach is applied in which the State assumes the guarantees for the projects, and the banks define the rules, it again may happen that good projects remain unfunded.

Another concern is that, despite the variety and number of eco-tourism initiatives in different regions of the country, there is no national information system for tourist services and activities. The elaboration of such a system will facilitate the initiatives in the exchange of information and saving time and resources. The regional databases have to be unified because they have been compiled in different formats and criteria and at different periods of time.

D3. National Tourism Development Priorities

The government has declared that its policies and programmes will promote the following areas of tourism:

- cultural and historical tourism
- custom, ethnographic, wine-producing, national cuisine tourism
- rural and eco-tourism
- tourist attractions
- adventure tourism
- balneological and curative tourism

In particular, the Bulgarian Government has approved a strategy and guidelines to develop eco-tourism in Bulgaria. The programme is based on regional action plans and includes 140 municipalities. Over 1,500 people from 800 institutions are involved in developing the programme.

D4. Measuring Success

Measure	1998	2000	2002
Number of tourists:			
Total visitors[1]	5,239,691	4,992,118	5,562,917
Leisure visitors	1.973,437	2,354,051	2,992,590
Business visitors	1,48232	177,933	180,138
Average number of nights per visitor:			
All visitors	3.7	3.8	4.1
Leisure visitors	na	na	na
Business visitors	na	na	na
Gross visitor expenditures (in US$ millions):			
All visitors	966.3	1,074.2	1,334.0
Leisure visitors	na	na	na
Business visitors	na	na	na
Tourism contribution to GDP:			
International tourism[2]	na	na	8.6%
Total tourism (international domestic)[3]	na	na	13.0%
Number employed in tourism:[3]	na	na	140,000
Leakage:	na	na	na

Source: National Statistics Institute (NSI)

[1] Including the transit passengers according to the National Border Police Service.
[2] According to information from the Bulgarian National Bank.
[3] According to expert estimations of the Ministry of Economy.

Case Study: The Gambia

[Research provided by Mr. Adama Bah]

E1. National Tourism Strategy and Planning

The Gambia Tourism Authority (GTA) was created in July 2001 with the mandate to develop The Gambia into a world-class tourist destination and business centre. GTA has a Board with private sector representation and encourages the private sector to develop tourism products. But the debts accrued from four decades of encouraging mass tourism, coupled with the current high interest and lending rates, are not encouraging Gambians to invest in tourism. Despite the obstacles, the GTA's national tourism strategy and planning is focussed on pro-poor and responsible tourism strategies. Its poverty alleviation strategies include:

- ✔ Establishing standards of classifications for hotels.
- ✔ Raising revenue to promote infrastructure and environmental development.
- ✔ Establishing offices in major marketing areas.
- ✔ Coordinating with tour operators, airlines, and other pubic relations organizations abroad.

E2. Current Competitive Status

Border-In Issues

Because of its small private sector and narrow tax base, infrastructure development is funded from loans acquired from the World Bank's International Development Association and the public sector. The GTA is overseeing further infrastructure development in The Gambia to improve the tourism product, through jointly-funded projects with the government, the Gambia Hotel Association, and GAMWORKS. One example underway is the installation of a street lighting system in the tourist area.

The proximity of The Gambia to Europe, the low cost of living, and the relatively low cost of package tours has transformed The Gambia into a cheap winter, sand, sun, and sea destination. Prior to 1994, the government marketed The Gambia for these features attracting international tour operators with groups of tourists for periods of 7 to 21 days at a time. Since 2002, the GTA is promoting a wider range of The Gambia's attractions – such as its culture, eco-tourism, and heritage – with greater benefit to the local population and small-scale tourism operations. While The Gambia is very price competitive (ranked #2 worldwide), it continues to face challenges in terms of human resource development.

Working with tourism stakeholders to create a tourism-friendly environment, the GTA is developing organization-wide policies and procedures that incorporate national values. The GTA is committed to:

- ✔ Developing skill building training programmes.
- ✔ Creating incentives to encourage innovation and quality performance to improve behaviour.
- ✔ Implementing systems to monitor industry performance.

An excellent example of new initiatives is the National Tourism Merit and Championship Awards organised for the first time in 2002, to honour those individuals who have contributed to the development of Gambian tourism.

Border Issues

To encourage foreign visitors, the government imposes no visa requirements for visitors.

Border-Out Issues

To re-launch The Gambia's tourism product, the GTA is using a variety of tools, such as the electronic print media, the Internet, high profile international tourism fairs (such as the International Tourism Exchange in Berlin), and domestic sensation programmes. To competitively market The Gambia in the international marketplace, the GTA is also working towards a plan to improve and modernize its electronic information systems. The Gambia's official tourism website is <www.visitthegambia.gm>.

To attract foreign investment for tourism development, the government has a number of incentives for international investors over a period of five years. These incentives come in the form of exemptions from:

- Customs duties on: approved capital equipment, machinery, appliances, furniture, and fittings imported and to be used by the project.
- Customs duties on: the approved quantity of semi finished products, spare parts, raw, materials, and other supplies to be used in the production process.
- Withholding tax and tax on dividends.
- Sales tax on the items.
- Turnover tax.
- Preferential treatment in the site's land allocation and infrastructure facilities.
- Accelerated depreciation as set out in the Investment Promotion Act of The Gambia.

To increase tourism traffic during the low season from May to October, The Gambia offers tour operators, airlines, hotels, and ground operators:

- 25% discount on aircraft handling charges for all tourist charter flights
- 25% discount on aircraft landing and parking fees for all tourist charter flights
- 50 % discount on sales tax for hotels and ground operators

Development Issues

Beginning with the 1995-2000 Tourism Development Policy, the government's state department responsible for tourism has been encouraging partnerships and promotional activities to improve linkages with small-scale tourism enterprises and foreign investors. By organizing together these small-scale tourism enterprises became a movement to promote pro-poor tourism in The Gambia. The result has been organisations like the Gambia Tourism Concern (GTC) and the Association of Small-Scale Enterprises in Tourism (ASSET). Instead of a government monopoly determining policies and decisions, tourism stakeholders have had a say. Unbeneficial practices were discouraged, like all-inclusive packages. Linkages were planned and widespread with other local sector economies such as horticulture, livestock development, arts, craft, and local entertainment. They called for improvements in product quality and encouraged more efficient and professional delivery of services to motivate tourists and tour operators to engage in responsible tourism.

Organizations like ASSET have shown local tourism enterprises how to link mainstream tourism with local businesses. ASSET also recommends finding out visitor's needs in order for stakeholders to identify capacity building, and how to improve service and product quality. One example underway is village tourism. Tourists can experience local conditions with revenue generated from these tours being funnelled back into community development to protect the environment and provide for proper sanitation. Village tourism has an added benefit of enhancing positive cultural values among individuals in the communities, giving them a sense of identity, and

also an appreciation of visitors and what they represent in the socio-economic development of The Gambia.

E3. National Tourism Development Priorities

To achieve responsible tourism, The Gambia promotes its business and conference tourism, eco-tourism, river cruising, water sports activities, and cultural tourism as its five target markets locally and internationally. These new markets and new marketing slogan, *Your Haven In Africa,* is targeting niche markets like birdwatchers and eco-tourism adventurers. This branding is intended to appeal to many travellers and show the world that The Gambia provides:

- ✔ value for money
- ✔ quality standards
- ✔ rich and diverse cultural experience
- ✔ peaceful and tranquil atmosphere

E4. Measuring Success

Measure	1998	2000	2002
Number of tourists:			
Total visitors	91,106	82,117	78,893
Leisure visitors	na	na	na
Business visitors	na	na	na
Average number of nights per visitor:			
All visitors	10.5	11	12
Leisure visitors	na	na	na
Business visitors	na	na	na
Gross visitor expenditures:			
All visitors	D 320.32	D 477.48	na
Leisure visitors	na	na	na
Business visitors	na	na	na
Tourism contribution to GDP:	5.9%	4.8%	4.3%
Number employed in tourism:	3,229	na	na
Leakage:	na	na	na

Source: Central Statistics Department

[Research provided by Ms. Michelle Theresa Allen-McLeod]

F1. National or Regional Tourism Strategy and Planning

Trinidad and Tobago's tourism planning is led by the Tourism and Industrial Development Company of Trinidad and Tobago (TIDCO), and involves the Ministry of Planning and Development, the Ministry of Finance, the Tobago House of Assembly (THA), and the Ministry of Tourism (MOT). In 1995, the Trinidad and Tobago Tourism Master Plan (TTTMP) was developed and continues to be the key document guiding tourism development. In 2002, TIDCO prepared a Three Year Rolling Plan to:

- ✔ combine existing strategic plans and studies
- ✔ specify priority areas and rolling plan yearly
- ✔ prepare a budget yearly

Several interest groups, for example M2M (Matura to Matelot – a stakeholder in the North-eastern tip of Trinidad), also prepare tourism plans for their areas. These groups approach TIDCO for assistance.

TIDCO has adopted the government's vision to achieve developed nation status by 2020. A Vision 2020 Tourism Sub-Committee has been created, led by the Ministry of Planning and Development and chaired by TIDCO's President. It includes a wide cross-section of tourism industry stakeholders responsible for developing a strategic plan that provides the following:

- ✔ A situation and needs analysis.
- ✔ A vision for the sector.
- ✔ Overall policy objectives that provide quantifiable targets for achievement within the periods 2004-2006 and 2007-2009.
- ✔ The strategies that should be pursued for 2004-2006 and 2007-2009 in order to achieve the stated objectives.
- ✔ The indicators/performance milestones, related to the overall policy objectives, at the end of every three-year period commencing in 2006.
- ✔ A detailed Action Plan that contains a prioritized matrix of activities for the public and private sectors and communities, an intervention timetable and estimates of implementation cost for the first three years.
- ✔ The most critical activities that should be undertaken as well as those activities that can be implemented easily.
- ✔ The policy, legislative and institutional arrangements for the efficient implementation of the strategies and Action Plan and review of the achievement of milestones and targets.

F2. Current Competitive Status

Border-In Issues

While Trinidad and Tobago has average infrastructure development, attractions development is still needed. The country has a good human resource base on which to draw, but new educational institutions are needed, in addition to UWI, to allow for individuals to enter post-secondary institutions and universities.

Border Issues

Immigration procedures at the border do not pose any significant barrier.

Border-Out Issues

Trinidad and Tobago still get less than five percent of foreign exchange earnings from tourism. Much of the promotional focus until recently has been on the "sun and sand" offerings of Tobago; however, Trinidad has the opportunity to develop business tourism in addition to the cultural events currently being promoted. Travellers looking for general information on travelling to Trinidad and Tobago on the Internet will find it at <www.visittnt.com> with links to TIDCO's website for investment and trade information located at <www.tidco.co.tt>.

TIDCO markets Trinidad and Tobago as the Caribbean's most business friendly environment with investment incentives to foreign investors such as:

- ✔ Concessions from import duty on raw materials, machinery, and equipment for approved industrial projects.
- ✔ Exemption from corporation tax on profits, and from tax on dividends (under the Fiscal Incentives Act and Hotel Development Act).
- ✔ Loss write-off provisions.
- ✔ Training subsidies for developing new skills.
- ✔ Provision of industrial sites and developed industrial accommodation.
- ✔ Export allowances, promotion and assistance.
- ✔ Export credit insurance.
- ✔ Double taxation relief.
- ✔ Exemption from Value Added Tax on inputs for companies exporting 80% of production.

Incentives in some cases are also available to locally incorporated companies or locally-owned companies.

Development Issues

The main concern for Trinidad and Tobago is increasing the local multiplier effects and ensuring environmental sustainability.

F3. National Tourism Development Priorities

The Vision 2020 Tourism Sub-Committee has identified five priority projects for Trinidad and Tobago's tourism development:

a) Tourism Sites and Attractions Improvement Programme – to improve and sustain the physical condition and management of sites and attractions.

b) "One-Stop" Shop for Tourism Investment – to facilitate inward tourism investment in a timely manner.

c) Establishment of the Tourism Management Authority – to develop a new tourism agency responsible for tourism industry development, product and service development, and marketing. Funded jointly by the public and private sector, it has a director with private sector experience.

d) Economic Impact of Tourism and Travel Study – to develop a Tourism Satellite Account for Trinidad and Tobago.

e) Tourism Public Awareness Campaign – to promote and educate the industry on tourism management issues.

F4. Measuring Success

Measure	1998	2000	2002
Number of tourists:			
Total visitors	334,037	398,559	384,212
Leisure visitors	184,905	307,912	344,446
Business visitors	73,931	67,465	66,213
Average number of nights per visitor:			
All visitors			
Leisure visitors	8-14 days	8-14 days	8-14 days
Business visitors	2 days	na	na
Gross visitor expenditures (TT$ mn):			
All visitors	1,263.5	1,340.6	1,314.9
Leisure visitors	na	na	na
Business visitors	na	na	na
Tourism contribution to GDP:	3.4%	na	na
Number employed in tourism:	15,000	15,000	15,000
Leakage:	na	na	na

[Research provided by Ms. Motarigorovanua Teinasau Lora Noella Lini-Gamali]

G1. National Tourism Strategy and Planning

Vanuatu's tourism strategy and planning development is coordinated through the governmental office of the Vanuatu National Tourism Development Office. Overseeing all the responsibilities of the country's tourism policy development, planning, community awareness, investment, and human resource development, the Tourism Development Committee (TDC) was established in 2001 to give government and stakeholders a forum to discuss national issues concerning tourism development.

To provide a direct linkage between intermediaries and government officials, the TDC's committee members are made up of individuals from government departments and a number of stakeholders directly involved in planning Vanuatu's tourism industry. The Minister of Tourism chairs the committee, which is made up the following 15 members:

Government Departments Representatives:

- The Minister for Public Utilities
- Director for Civil Aviation Authorities
- Principal Officer Vanuatu National Tourism Development Office
- General Manager for Vanuatu National Tourism Development Office
- Director General for: Ministry of Tourism
                          Ministry of Finance
                          Prime Minister's Office
                          Minister of Lands

Stakeholders Represented:

- Representative for Vanuatu Hotel & Resorts Association
- Representative Vanuatu Tour Operators Association
- General Manager Air Vanuatu – international airline
- Commercial Manager Vanair – domestic airline
- Managing Director Airports Vanuatu Limited
- Representative for Tanna Tourism Council
- Representative for Santo Tourism Industry

The TDC holds a meeting every three months so concerns and recommendations from each meeting are given to the appropriate committee member to address. At the next meeting, a progress report is then presented by the committee member(s) that are looking into the issue. Non-members can contact their TDC representative for their particular issue to be heard by the committee. Overall, this public-private partnership is working well. Members share the same goal and are addressing national issues such as:

- pricing competitively
- prioritising infrastructure projects
- maintaining and upgrading national transportation facilities (ports and airports)

G2. Current Competitive Status

Border-In Issues

Vanuatu's infrastructure development is concentrating on its airports and regional entry and exit points. The first priority is to improve road conditions in Port Vila, and define the area's future water protection zones in Port Vila and Luganville. By building a runway and apron overlay at the Bauerfield airport, the twice-weekly limit of Boeing 767 landings can be lifted. The second priority underway is to open an international gateway to Vanuatu's northern islands. A runway extension and new terminal, with four immigration channels, at Santo's Pekoa-Santo Airport is needed for tourists to reach the eco-tourism operators in the outer islands. The third priority is focussed on improving Tanna's regional entry and exit to Vanuatu's southern islands. Specifically, a joint venture between the Vanuatu government and Caisse Francaise de Development completed a 800m runway at the White Grass Airport in Tanna for turboprop aircraft carrying tourists visiting Yasur Volcano.

Tourism employers can ask for basic workforce skills training directly from the Vanuatu National Tourism Development Office. The office establishes training standards and coordinates training courses throughout Vanuatu, in conjunction with various trade associations and the private sector. Office staff conducts training courses upon request, and regularly offers a two-week tourism and hospitality training program in Port Vila in partnership with the South Pacific Tourism Organisation. Other human resource initiatives involve finding external educational scholarships for management, skilled staff training in tourism for both public and private sector organizations, and planning tourism awareness programmes at a general level and through school curricula.

Border Issues

For stays not exceeding 30 days, bona fide visitors who are nationals of the Commonwealth countries or Fiji, Japan, Norway, Philippines, South Korea, Switzerland, and the United States of America do not require a visa. Visas for other nationalities are only obtainable from the Immigration Department.

An Airport Facilitation Committee was developed to coordinate better ways to improve Vanuatu's transportation infrastructure. Monthly meetings are held with the stakeholders from various airport departments, airlines, and the National Tourism Development Office.

After approving the request of rural tourism development associations to open up the islands of Santo, Malakula, and South Pentecost to cruise ships based in Port Vila, the national government's Department of Customs, Immigration, Quarantine, and the provincial government, conducted human resource training sessions to prepare their officers for outer island cruise visits expected in the coming months.

Border-Out Issues

The Vanuatu National Tourism Development Office conducts marketing and promotion of Vanuatu's tourism industry through three departments:

- Marketing Intelligence
- Public Relations and Publicity
- Promotions and Overseas Representation

Marketing efforts have increased since Air Vanuatu offered space for Vanuatu's National Tourism Development Office to set up an office at the airlines Australia and New Zealand offices. The National Tourism Development Office has trained trade officers to staff the offices. These officers send progress reports to the Vanuatu National Tourism Development Office on a monthly basis, and have daily contact with the manager of Air Vanuatu. By training trade officers to staff the Australia and New Zealand offices at Air Vanuatu, Vanuatu is marketed consistently. The two

national websites directed specifically at tourists and investors with special features for travellers and investment opportunities are <www.vanuatutourism.com> and <www.investinvanuatu.com>.

Development Issues

To prevent further leakages, the government and stakeholders are encouraging tourism developments that are locally owned like eco-tourism and small-island bungalows. By opening up the outer island of Santa, Malekula, and South Pentecost to P&O Cruise ships it hopes that money will be directly injected into these rural areas, where 80 percent of the population reside. For two years, P&O Cruise (through South Pacific Shipping Services) has employed Ni-Vanuatu hospitality students in food and beverage occupations and day tours. The government is also targeting potential local multipliers, such as:

Agriculture, commercial	Taxis & car rentals
Agriculture, subsistence	Air transport
Manufacturing	Tour services
Water& electricity	Hotels & other accommodation
Construction	Restaurants
Distributive trade	Financial services
Tourist shops (souvenirs, etc)	Other services
Duty free shops	Government
Transport & communications	

G3. National Tourism Development Priorities

Infrastructure development and marketing Vanuatu as the first destination for tourists to the Pacific region are the priorities of the Vanuatu National Tourism Development Office. By improving roads, tour operators can provide tourists with better access around the islands, as well as to and from the airport. Upgrades and new runway construction to the area's airports and terminals lifts airplane size restrictions that can land. It also provides better service to visitors of Vanuatu's northern and southern islands. Other infrastructure priorities include better port services and maintenance, water resource protection in Port Vila, and sewage treatment plants to ensure Vanuatu's natural resources are properly protected and sustained for future generations.

Vanuatu's other priority is marketing and promoting the island's diverse cultural heritage and resources. By working closely with wholesalers such as Air Vanuatu, Vanair, and South Pacific Shipping (who organize P&O Cruise in Vanuatu), visitors from neighbouring countries like Australia and New Zealand will increase. The Vanuatu National Tourism Development Office has developed two different poster campaigns. One is to attract special interest groups to its niche markets, and the other is for tourists in general. Each illustrates the island's beautiful sites and cultural diversity.

G4. Measuring Success

Measure	1998	2000	2002
Number of tourists:			
Total visitors	52,085	57,591	49,462
Leisure visitors	39,441	44,992	38,740
Business visitors	6,081	5,857	6,444
Average number of nights per visitor:			
All visitors	8.2	7.6	8.9
Leisure visitors	na	na	na
Business visitors	na	na	na
Gross visitor expenditures:			
All visitors	na	na	na
Leisure visitors	na	na	na
Business visitors	na	na	na
Tourism contribution to GDP:	7.4%	9.6%	8.9%
Number employed in tourism:	na	na	na
Leakage:	na	na	na